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U.S. Faces Immediate Decisions In Crisis Areas

Whether President Truman does or does not make the personnel changes in government agencies concerned with foreign policy which are now the subject of commentators' speculation, world affairs do not stand still, and far-reaching decisions can not be long postponed on Germany, China and Palestine. What, briefly, is the present situation in these areas of particularly acute conflict, and what questions confront the United States there in the immediate future?

The Ruhr—A Microcosm

For the time being the Berlin crisis remains unresolved. On November 29 Argentine Foreign Minister Juan Atilio Bramuglia, outgoing president of the UN Security Council, announced that Russia had accepted his mediation plan, which calls for a thorough study by a commission of "neutral" experts of all the technical and political problems involved in a permanent settlement of the Berlin dispute, and the Western powers are expected to do likewise. In Berlin, however, German Communists, with the approval of Russian Marshal Vassily D. Sokolovsky, have proceeded with plans for the establishment of a separate city "government" in the Soviet sector, challenging in advance the results of the elections to be held in the three Western sectors on December 5. Some of the smaller countries in the UN have begun to wonder whether either side in the Berlin controversy is eager to reach a settlement at the present time. The Russians, it is believed, persist in their desire to drive the Western Allies from Berlin. At the same time the success of the Allied airlift, unexpected in Moscow, has sharply re-

duced the prestige of both Russia and German communism in Germany and strengthened the bargaining power of the Western states.

Meanwhile, the spotlight in Germany has shifted to the Ruhr, where one can see, as in a microcosm, the crosscurrents, both internal and international, which make it so difficult to arrive at a mutually satisfactory formula for Germany's future. On-the-spot observers report a marked

decline in Communist influence among Ruhr workers and a simultaneous increase in the strength of Rightist elements, attributed in considerable part to the Anglo-American decision of November 10 to reinstate German managers of mines and factories in their prewar positions. The British, as indicated by an editorial in the London *Times* of November 27, have considerable sympathy with France's objections to American plans for rapid industrial reconstruction of the Ruhr and, fearing the competition in world markets of restored German industries, are inclined to think the Americans show undue haste in removing restrictions on the German level of industry.

Hitherto, American policy in Germany has been based on the assumption that this country needs the support of Britain and France to withstand further Russian pressure in Europe, and that rapid rehabilitation of the Ruhr is essential for the success of the ERP. Can the United States put Germany on its feet without alienating its Western European Allies, and at the same time leave the door ajar for an eventual German settlement with Russia should such a settlement become possible in 1949?

Right or Left in China?

Neither the appeals of Chiang Kai-shek, nor the visit to this country of Madame Chiang, nor the strong recommendations of groups and individuals here for extensive American aid to the Nationalist government have persuaded President Truman and Secretary of State Marshall that the United States should fundamentally modify its policy of giving China only

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strictly limited economic and military aid. Intelligence reports received a year ago had prepared Washington for recent Communist victories. Until Congress convenes, the Administration is expected to do little except make a statement of its moral support for the Chiang Kai-shek government (the wisdom of making even such a statement is in dispute) and maintain American military forces in the key coastal city of Tsingtao.

In the meantime China's new Prime Minister, Dr. Sun Fo, son of Dr. Sun Yat-sen, in an interview given in Shanghai on November 27, suggested that Nationalist China needs some outstanding military figure such as General Douglas MacArthur as adviser in its anti-Communist struggle, and said China must be prepared to make any "reasonable" concessions to obtain major American military assistance at the earliest possible moment. What, American public opinion will probably ask, are these proposed concessions? Will they be chiefly efforts to enlist American military and commercial interests on the side of the Nationalist government—or is Chiang Kai-shek now willing and able to undertake internal reforms whose adoption President Truman in 1947 had made a condition of further aid and which, ac-

cording to most observers, are essential to counteract communism's appeal in China?

More Delay on Palestine?

The UN General Assembly, eager to wind up its Paris session not later than the middle of December so as to permit delegates and staff to return home for Christmas, is now striving to reconcile a wide variety of resolutions on Palestine introduced by a number of countries, among them the United States, Britain and Russia. It now looks as if, with the best will in the world, the only thing the UN can do before this deadline is to create a conciliation commission which would supervise attempts at a peace settlement in Palestine. Dr. Ralph J. Bunche, Acting Mediator since the assassination of Count Bernadotte, has asked the Assembly to call on both Israel and the Arabs to negotiate. The Arabs, it is believed in Paris, are waiting for a UN peace negotiation "order" which would help them to "save face." Israel, for its part, submitted its application for UN membership on November 29, the first anniversary of the UN partition recommendation. Britain has announced that, while it will not veto this application, it will not support Israel's admission until the boundaries of the new

state have been determined.

Will the United States stand firm on the resolution introduced in the UN Political and Security Committee by Dr. Philip C. Jessup on November 22, in which this country differed on several important points from Britain? Will this country follow Britain's proposed course concerning the admission of Israel to the UN? If the basis for a Palestine decision is not laid before the elections scheduled in Israel for January, extremist opposition groups there may take advantage of backing and filling by the Western powers to press for more drastic settlement of the new state's borders. Meanwhile, the United States delegation on November 27 tentatively pledged a contribution of \$13-\$15 million to the UN relief fund for Palestine refugees, which will be used chiefly to aid Arabs, now estimated at 600,000, who fled from their homes in Palestine and are now subsisting in dire misery in neighboring Arab territory. Some American observers are urging the United States also to press forward with long-standing reclamation and irrigation projects for the Near East as the best method of alleviating Arab resentment over the partition of Palestine.

VERA MICHELES DEAN

Washington Weighs Cost Of Western Defense

WASHINGTON—Officials of the State Department and the Military Establishment, and leading members of Congress believe that the Western European countries receiving ERP suffer from a sense of military insecurity which prevents their taking full advantage of this aid and delays their recovery. The Truman administration has concluded that the European powers cannot satisfy their own security needs without American help. For that reason United States foreign policy for Europe in 1949 is expected to concentrate on military arrangements.

What America Can Do

The United States plans to make available to Europe arms and advice about their use, probably by two measures: first, an act of Congress authorizing the President, through the Secretary of Defense, to distribute military weapons to foreign governments; and second, a treaty or Congressional joint resolution. At a minimum this treaty or resolution is expected to permit the United States to take part in

the strategic planning of the Western European Defense Headquarters located at Fontainebleau, France; at a maximum it will provide for American guarantees to the Western European countries against invasion. The two proposals are complementary, but they may vary in territorial scope. Under the first measure the Administration is expected to ask for authority to distribute arms to any and all countries receiving ERP aid—except for zones of occupation—while the treaty in the second instance will probably be limited to the Brussels pact signatories and Canada. Since the negotiation of the treaty may take a long time, Congress probably will be asked to enact the arms program before it approves the treaty. This proposed course of action rests on the assumption that Congress will approve the spending of an amount ranging from one to three billion dollars for modernized lend-lease as a military expenditure more readily than as an addition to the already long list of other disbursements for foreign aid.

What Kind of Aid?

It is too early to report the precise nature of the arms the United States is to send abroad. Viscount Montgomery, Chairman of the Western European Union Defense Committee, has not yet completed the defense plan which is to serve as a partial guide for the United States. Since last spring Washington has been receiving requests from European nations for specific kinds of arms, but decisions on what percentage of the requests can and will be filled must await the framing of the Defense Department's own budget for traditional expenses. President Truman would limit the military establishment to \$14.5 billion or \$15 billion while many military officials recommend \$17.5 billion. The suggestion most commonly heard is that the United States begin to fill Western European needs from its surplus armaments, but this may not give the desired sense of security to the recipients of the weapons. The surplus is obsolescent if not obsolete. Maintenance of a flow of modern weapons abroad, however, would call for the diver-

sion to military production of a portion of American industry which now is concentrating on peacetime goods. Britain, with encouragement from the United States, is accelerating its output of military jet planes. There is as yet no indication that the United States, in turn, has agreed to specialize in the manufacture of some other weapon useful both to our European friends and ourselves.

The United States is already active in offering and receiving military advice. Until a treaty is in existence, the United States intends to take an informal part in the planning conferences at Fontainebleau. After Congress has accepted a treaty, the United States expects to assign officers to Western Defense Headquarters on a regular basis, so that they can inform Washington from day to day of the European

countries' strengths and weaknesses and of the changing nature of their military material needs.

Europe would like a promise as well as advice from the United States—the promise to go to war in the event a Western European state is invaded. Congressional supporters of current bipartisan foreign policy think that their colleagues would approve a trans-Atlantic defense treaty worded like the inter-American treaty which the Senate approved on December 8, 1947 by 72 to 1. The inter-American treaty does not commit the United States or any other signatory to go to war automatically if an American republic is attacked, but it authorizes each signer, in the event another signatory is invaded, to "assist in meeting the attack" as it sees fit and calls on all signatories to consult

about collective action. That is said to be about as far as Congress is inclined to go at this time.

The first official statements about details of the pending military program may come in the President's annual message on the state of the Union and in his budget message, both of which he will present to Congress in January. An inkling of some of the problems at stake was given on November 28 when it was revealed Dr. Edwin G. Nourse, chairman of the President's Council of Economic Advisers, had informed the Pentagon on November 10 that a sizable advance beyond \$15 billion of military spending would unleash "new forces of inflation" and necessitate "a number of direct controls."

BLAIR BOLLES

Greece Needs More Than Military Aid

The reshuffling of the Greek cabinet (November 11-18) and the airing of the Greek case against Albania, Yugoslavia and Bulgaria before the Political and Security Committee of the UN General Assembly in the days immediately preceding have brought Greece back into the news. The reshuffled cabinet of Premier Sophoulis—who on November 24 suffered a heart attack—is in no important respect different from its predecessor. No new program or fresh grouping of political forces has emerged from the brief government crisis.

Despite the nearly one billion dollars allocated to Greece in the four years following its liberation from the Germans, poverty, fear and internal disorder continue to hold sway in that little country. Since the United States assumed a leading role in Greek governmental affairs, conditions have grown worse rather than better, so that today prices are higher, the guerrillas more numerous, government prestige and morale lower than when American aid to Greece was voted by Congress in March 1947.

Achievements—and Needs

There are, it is true, some positive achievements to show for the \$300 million assigned to the American Aid Mission for the fiscal year 1947-48. The Corinth canal has been reopened to light shipping, the harbors of Piraeus, Volos and Salonika have been cleared of much rubble, airfields have been improved, and some few miles of highways resurfaced. But these and other reconstruction projects con-

sumed only a small part of the total expenditure—not quite 8 per cent. Most of the rest was spent for military supplies (just over 50 per cent) and relief.

It is obviously futile, however, to rebuild bridges only to have them blown up a few weeks later by guerrilla bands; and it is impossible to plan and execute public works projects when the countryside is not safe for representatives of the Greek government. This consideration led the officials in charge of the American Aid Mission to divert funds from reconstruction to military uses. Accordingly, in the fall and winter of 1947-48 the strength of the Greek army was increased by nearly one-third, and its equipment improved in the hope of making it strong enough to wipe out the guerrillas. In the spring of 1948 a general offensive was started. Heavy fighting in the Grammos mountains, adjacent to the Albanian frontier, resulted in victory for the government troops during the month of August, but the victory soon proved hollow. Some of the guerrillas were able to filter through government lines, and others retreated into Albania only to reappear in Greece a few weeks later. Meanwhile, in other parts of the country, recruitment to the guerrillas continued through the summer, so that today total guerrilla strength is greater than when the campaign against them began.

Basic Problems

It becomes increasingly clear that the fundamental problems of Greece have not been touched either by the American aid program or by the efforts of the Greek

government. Some of these problems are inextricably linked with world politics and lie beyond the control of anyone in Greece. The moral and material support which Albania, Yugoslavia and Bulgaria have given to the Greek guerrillas—and which was again condemned by the UN General Assembly on November 27—undoubtedly accounts for much of the success of these forces against the government. In a radio address to the Greek people on November 28 Lieut. Gen. James A. Van Fleet, chief of the United States military mission in Athens, said: "The Greek Army cannot at this time effectively police this entire (northern) border. It can drive these criminal bandits to the border as has been done repeatedly during this year, but it cannot pursue them across the border or prevent them from returning at some other spot."

The intervention of Greece's northern neighbors, however, is made effective by social maladjustment in Greece itself. The fundamental difficulty is overpopulation. Resources developed hitherto have not kept pace with the growth of population. As a result, hundreds of thousands of families find themselves reduced to hopeless poverty. This makes recruitment to the guerrillas an easy matter, for a man with a gun in his hands can make a living by robbery and requisition from his more wealthy neighbors. Equally important, Communist doctrine holds out to thousands a cause for which to live and a hope of better times. It is this devotion to a cause which permits the Communists to sustain apparently crushing defeats only

to rise again. Under the circumstances, purely military measures against the guerrillas cannot be expected to prove more successful in the future than last summer's offensive. Only if the problems of overpopulation and poverty are systematically attacked can the effectiveness of Communist intervention in Greece be diminished and peace be restored to the Greek countryside.

In the short run, it is probable that a sort of WPA for Greece, offering a job to every Greek who needs one regardless of his past political affiliation or activity, would attract a majority of the guerrillas down from the hills and make military operations against the remnant practicable. In the long run, population can be brought into balance with the developed resources of the country only by a combination of emigration, industrialization, agricultural improvement and dissemination of birth control information. The labor of men now unemployed or underemployed could do much to rebuild the national economy, and the diplomatic prestige of the United States might be used to open new areas of the world to Greek settlement. Large-scale import of capital goods, however, would also be necessary over a period of several years.

The difficulty with such a program is its cost. Perhaps as many as two million out of a population of about seven and a quarter million need immediate work relief, and would have to be supported for several years until the productive resources of the country could be built up sufficiently to provide a tolerable standard of living. Yet costly as it would be, such a program would be no more expensive than indefinite continuation of the present military subsidies being paid by the United States to the Greek army.

WILLIAM H. McNEILL

(Professor McNeill, an instructor at the University of Chicago and Chairman of the History Staff of the College, spent nearly two years in Greece as assistant military attaché during World War II (1944-46) and revisited the country in 1947 as a member of a survey team for the Twentieth Century Fund. He is the author of *The Greek Dilemma: War and Aftermath*, and collaborated with Elizabeth D. McNeill and Frank Smothers on *Report on the Greeks*, published in 1948 by the Twentieth Century Fund.)

Branch & Affiliate Meetings

NEW YORK, Dec. 4, *Economic Recovery: What is the U.S. Role?*, Aubrey H. Harwood, Ivo Duchacek, Evan Just, George Nebolsine, Langbourne M. Williams

SPRINGFIELD, Dec. 4, *What is Ahead of the British Empire?*, C. Hartley Grattan, Hans Kohn

ALBANY, Dec. 6, *Western European Union and the British Commonwealth*, Donald H. McLachlan

SHREVEPORT, Dec. 6, *Round Table Discussion*, E. L. Ford, Mayor Clyde Fant, Joe J. Mickle, Judge George W. Hardy

TULSA, Dec. 6, *What Future for Korea*, Leonard Bertsch

PROVIDENCE, Dec. 7, *Germany—1948*, James P. Warburg

BOSTON, Dec. 8, *Germany—Battleground or Bridge*, Carl J. Friedrich

COLUMBUS, Dec. 8, *The U.N. and World Destiny*, Vera M. Dean

SYRACUSE, Dec. 8, *Results of American Foreign Policy in Europe*, Joseph Phillips

CLEVELAND, Dec. 9, *How Great Britain Views the Future*, Sir Norman Angell

WORCESTER, Dec. 9, *The Middle East and the International Scene*, John S. Badeau, A. C. Chapman

CINCINNATI, Dec. 10, *Can the U.S. and the U.S.S.R. Cooperate?*, Leonard Bertsch

ROCHESTER, Dec. 11, *America's Responsibility in World Affairs*, Vera M. Dean, Francis Russell

ST. PAUL, Dec. 11, *Pakistan*, N. O. A. Baig

HOUSTON, Dec. 14, *U.S. Policy*, Hon. Charles E. Saltzman

BETHLEHEM, Dec. 14, *China's Crisis*, William Hung, Gunther Stein

UTICA, Dec. 14, *Behind the Bamboo Curtain*, Leonard Bertsch, E. C. Carter

NEW ORLEANS, Dec. 15, *World Federation*, Cord Meyer, Jr.

The Statesman's Yearbook, 1948, edited by S. H. Steinberg, New York, Macmillan, 1948. \$7.50

The eighty-fifth annual publication of a standard British reference book, particularly useful on the British Commonwealth and Empire, a subject which takes approximately one-third of the edition's 1471 pages.

News in the Making

King Farouk of Egypt, in his speech from the throne on November 18, announced that his government intends to build one large electrical power station in Talka and another north of Cairo, and will soon consider the erection of a steel mill. As a consequence of war with Israel, Egypt encourages prospecting for oil and hopes to increase twofold the output of the Suez oil refinery. Aside from limited funds advanced by the industrial credit bank of Egypt, no information is available about Cairo's plans for financing this new economic development program. . . . In his address of November 24 to the Food and Agriculture Organization in Washington, President Truman urged the negotiation of a new international wheat agreement, adding that when such an agreement is submitted to Congress (the 80th Congress failed to ratify the previous pact), "I rather believe we will get it approved—this time." . . . Mr. Truman also expressed the hope that Argentina and Russia would join the FAO. "I think," he said, "that if we could discuss with the Russians our mutual interest in agriculture it would not be so difficult to discuss our differences in some other fields." . . . Much has been said recently about the threat of Communist inroads in Latin America. At present, however, it is armies supported by Rightist groups that are seizing power in Latin American countries. On November 19, soon after the military uprising in Peru which brought General Manuel Odría to power, word came from Chile that a military plot to seize the government had been suppressed. A manifesto of the Chilean Socialist party connected "elements close to the dominant regime in Argentina" with the plot. In Venezuela the progressive Gallegos government was unseated on November 24 by army leaders who for months had been trying to obtain more posts in the Democratic Action cabinet which, they claimed, was unrepresentative and incompetent. According to the liberal press of Chile and Colombia, the Venezuela coup is part of "a coordinated plan, in the nature of a continental conspiracy against democracy."

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